

CITY OF NEWPORT

ORDINANCE NO. 2077

AN ORDINANCE WITHDRAWING ANNEXED TERRITORY
FROM THE SEAL ROCK WATER DISTRICT

Summary of Findings:

1. The City of Newport entered into an Intergovernmental Agreement (IGA) with the Seal Rock Water District in 2007 that expanded the City's water service area to include much of South Beach. The IGA evidenced both parties' recognition of the fact that the City is better positioned to provide water service to developing properties in the area. The IGA contemplated, but did not effect the withdrawal of the served properties from the District's territory.
2. After the City took over water service responsibilities within the City Service Area (CSA) on January 1, 2008, the District secured approval of a General Obligation Bond for improvements to its water system. These bonds were drawn upon in 2011 and 2012 to finance improvements to the District's system that do not benefit properties within the CSA. Nonetheless, because properties within the CSA remain within the District, these properties are subject to District property taxes, and are paying for their proportionate share of the post-2008 issued bonds.
3. Recognizing the inequities of this situation for CSA property owners, the City and District adopted Amendment No. 1 to the IGA on May 8, 2014, to evidence the parties' intent that, when CSA territory is withdrawn from the District, those properties will only be subject to General Obligation Bond debt incurred prior to January 1, 2008, the date the City began providing water service within the CSA.
4. Oregon Revised Statute (ORS) 222.520 authorizes cities to withdraw territory from a service district once it has been annexed. The process that must be followed, outlined under ORS 222.524, requires that the governing body of a city fix a date, time, and place for a public hearing to hear any objections to the withdrawal and determine whether such withdrawal is in the best interest of the City. Notice of the hearing must be published in a newspaper once a week, for two consecutive weeks

prior to the date of the hearing. After the hearing, the governing body may, by ordinance, declare the annexed territory withdrawn from the district. Such an ordinance is subject to referendum.

5. On October 20, 2014, the City Council for the City of Newport set 6 p.m. on November 17, 2014 in the City Hall Council Chambers (169 SW Coast Hwy, Newport) as the date, time and place for the public hearing.
6. Notice of the hearing was published in the Newport News-Times on November 7, 2014, and November 14, 2014, satisfying the statutory notice requirement.
7. The City Council of the City of Newport, after considering the evidence and argument presented at the public hearing and in the record, determined that it was in the City's best interest to withdraw the territory annexed to the City and located within the CSA from the Seal Rock Water District, and adopted Ordinance No. 2074 on December 1, 2014.
8. Subsequent to the adoption of Ordinance No. 2074, the city was advised by the Oregon Department of Revenue, that for it to complete a review of the withdrawal, several technical changes to the manner in which the withdrawn property is described should occur. Because these are technical changes, there is no change to the numbers and locations of the properties as described in Ordinance No. 2074.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. Withdrawal. Territory that is within the city limits of the City of Newport and the Seal Rock Water District as of March 16, 2015 is declared withdrawn pursuant to ORS 222.524, except for territory leased to the District as described in Exhibit A; territory lying within Township 12 South, Range 11 West of the Willamette Meridian; and territory lying within Section 31 and Section 32 of Township 11 South, Range 11 West described in Book 11 at Page 128, Book 175 at Page 876, Book 370 at Page 483, Book 232 at Page 983, and the property identified as Tax Lot 401 of Assessor's Map 11-11-31-DD in Instrument No. 200804464 of the Lincoln County Records as illustrated in Exhibit B. Territory subject to this withdrawal is graphically depicted in Exhibit C.

Section 2. Emergency. In order to allow sufficient time for the Oregon Department of Revenue to complete its review so that taxpayer relief can

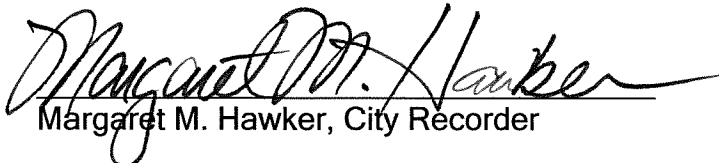
occur effective July 1, 2015, as envisioned in Ordinance No. 2074, an emergency is declared to exist, and this ordinance is effective upon its adoption by the City Council.

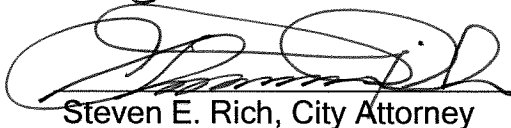
Date adopted and read by title only: March 16, 2015

Signed by the Council President on March 18, 2015.


Ralph Busby, Council President

ATTEST:


Margaret M. Hawker, City Recorder


Steven E. Rich, City Attorney

Legal Description of Area Leased to Seal Rock Water District

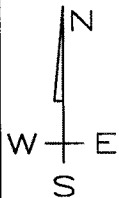
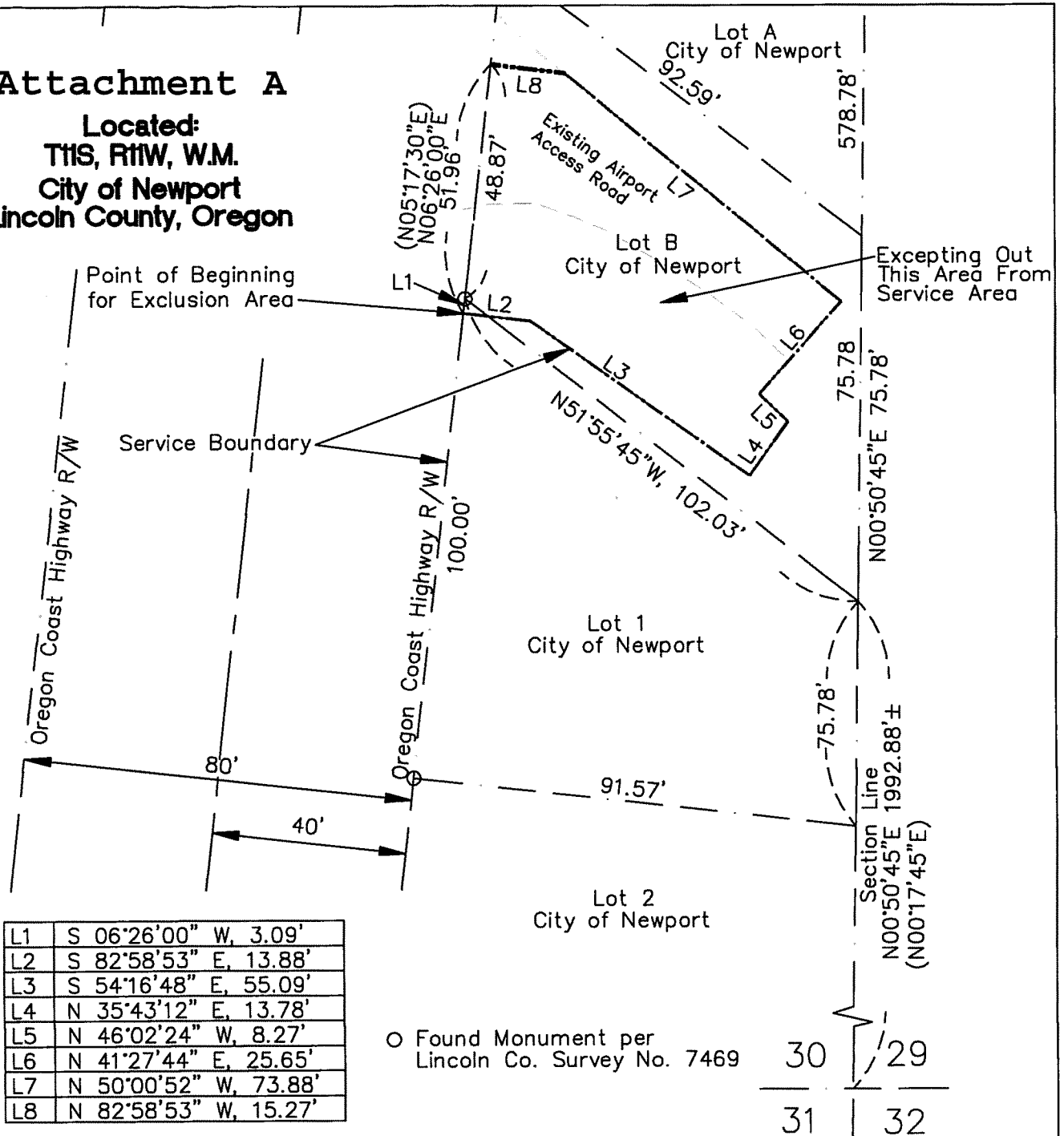
Beginning at the corner common to Sections 29, 30, 31 & 32, Township 11 South, Range 11 West, W.M., Lincoln County, Oregon; thence North 00°50'45" East, along the section line common to said Section 29 & 30, 1992.88 feet, more or less to the northeast corner of Lot 1 as shown on Lincoln County Survey number 7469; thence North 51°55'45" West, along the north line of said Lot 1, 102.03 feet to the southwest corner of said Lot 1 and also being a point of the easterly right of way line of Oregon Coast Highway; thence South 06°26'00" West, along said right of way line, 3.09 feet, to the True Point of Beginning; thence South 82°58'53" East, 13.88 feet; thence South 54°16'48" East, 55.09 feet; thence North 35°43'12" East, 13.78 feet; North 46°02'24" West, 8.27 feet; thence North 41°27'44" East, 25.65 feet; thence North 50°00'52" West, 73.88 feet; thence North 82°58'53" West, 15.27 feet, more or less to a point on the east line of said right of way; thence South 06°26'00" East, along said right of way line, 51.96 feet to the point of beginning.

(See the enclosed Attachment A for graphic description thereof).

The excepted area described contains 3432.5+/- square feet

Attachment A

Located:
T11S, R11W, W.M.
City of Newport
Lincoln County, Oregon



REGISTERED
PROFESSIONAL
LAND SURVEYOR

John R. Pariani
OREGON
July 13, 1999
JOHN R. PARIANI
#51382

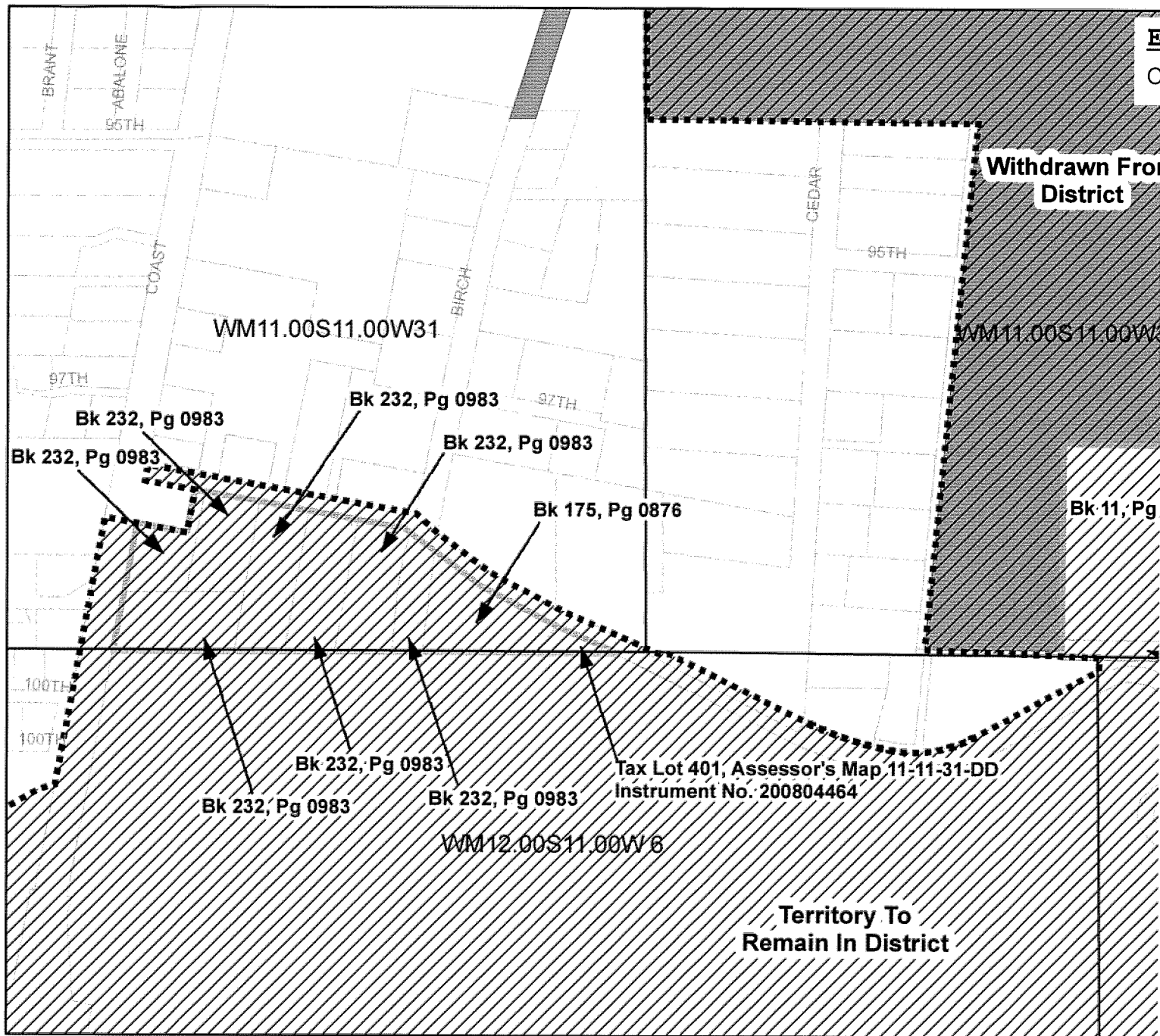
Renews: December 31, 2014

Service Boundary Exclusion Map

Pariani Land Surveying

136 West Main Street
Eagle Point, Oregon
541-890-1131

Date: April 16, 2014	Scale: 1" = 30'	Job No.: 2012-095	Sheet: 1 of 1
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City of Newport
Community Development Department
 169 SW Coast Highway Phone: 1.541.574.0629
 Newport, OR 97365 Fax: 1.541.574.0644

**Deed References for Territory North of Township 12
 that is to Remain in the Seal Rock Water District**



City Limits

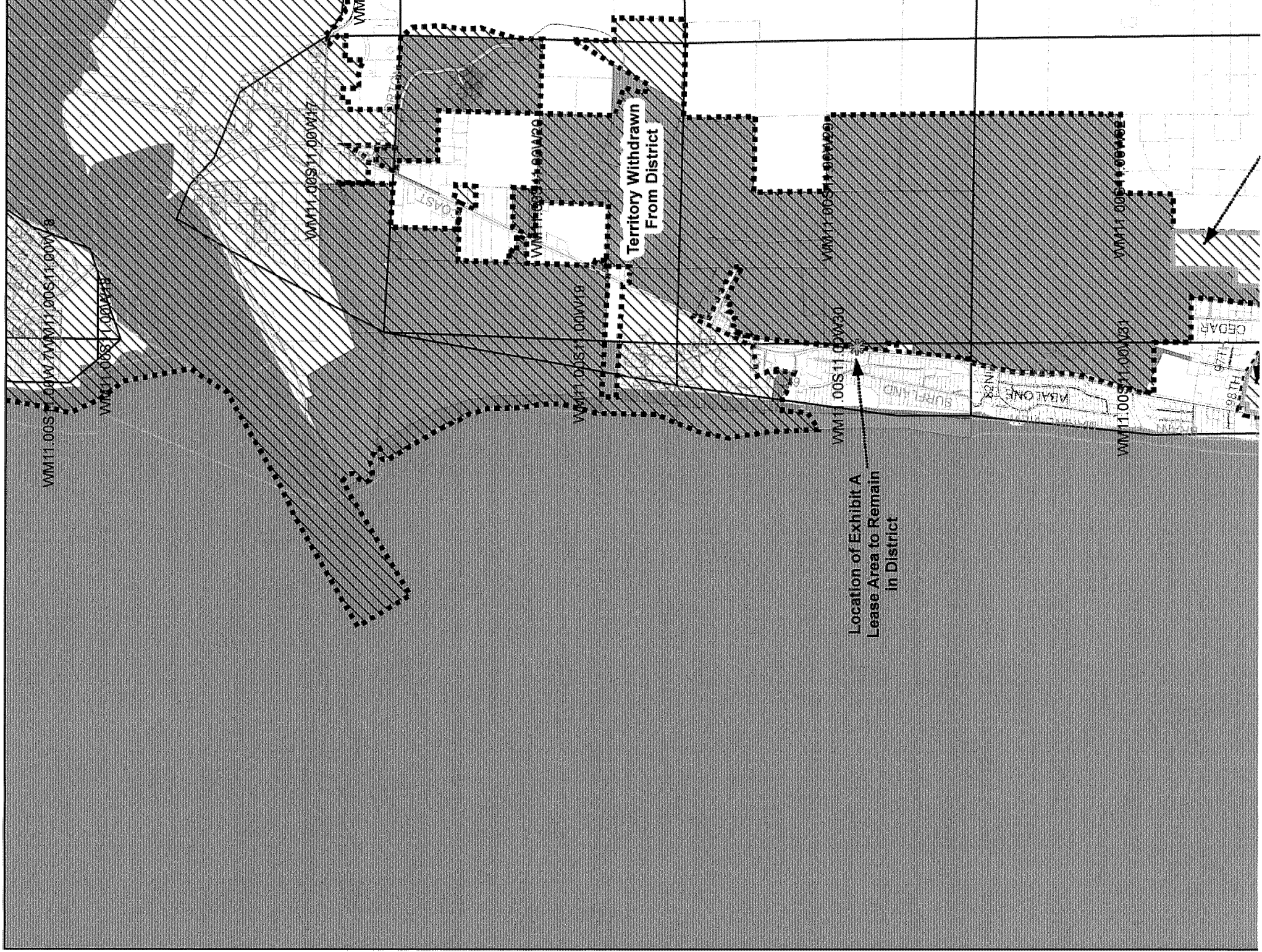


Territory to be Withdrawn

500 250



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Territory Withdrawn
From District

Location of Exhibit A
Lease Area to Remain
in District